

REGIONAL LAND TRANSPORT PLAN PRIORITISATION

The Transport Special Interest Group (TSIG) in conjunction with Waka Kotahi NZ Transport Agency has been working on a consistent approach to the development and preparation of Regional Land Transport Plans (RLTPs). This note specifically applies to the prioritisation approach to be used by Regional Transport Committees (RTCs) to prioritise improvement projects included in the RLTP.

The RLTP is not just a list of activities and projects that seeks inclusion in the National Land Transport Programme by Waka Kotahi. The RLTP consists of two distinct sections that fulfil differing purposes. RLTPs provide the regional context, setting out the problems, and how the proposed investment would address these at a regional level.

The front section of the RLTP sets the strategic context for transport activities in the region with a 30-year horizon. The strategic section is linked to the Ministry of Transport's Outcomes Framework. The RLTP provides the strategic framework for an Approved Organisation (AO) activity management plans (AMP) and the AMP provides the background detail that supports maintenance, renewals and improvement projects to be included in the RLTP.

The back section of the RLTP includes the programme of activities that AOs are proposing for funding from the National Land Transport Fund. The RLTP is prepared by the RTC who must set the region's priority for the significant improvement projects AOs have proposed.

Prioritisation allows the region to tell their unique story on the outcomes that really matter and how investment in projects included in the various improvement activities will contribute to the RLTP desired outcomes, their individual community outcomes and the direction provided by the Government Policy Statement on land transport.

This document proposes a prioritisation approach based on principles that regions are encouraged to adopt when developing their 2021-24 RLTP. The TSIG/Waka Kotahi working group encourages regions and unitary authorities to use this proposed approach as it will allow Waka Kotahi to consider activities and projects in one region alongside activities and projects of similar priority in other regions. Currently, unique approaches taken by different regions to prioritise their activities and projects can make it difficult to draw comparisons.

Projects and activities defined as having a 'high' regional priority may or may not also have high alignment with the GPS priorities. The priority given using the proposed methodology will provide a methodical way for Waka Kotahi to recognise regional importance when confirming projects for inclusion in the NLTP.

Value Proposition

Using the prioritisation principles will give credibility to an activity or project's regional priorities in the RLTP. This will allow Waka Kotahi to recognise regional priorities when administering funding.

The regional priorities can also be used to support applications for investment for projects/packages from PGF and other Crown funding sources. RTCs may use the regional priorities to support advocacy for projects in their respective region.

Prioritisation Approach

The prioritisation approach is recommended by the TSIG/Waka Kotahi working group for Improvement Activities of more than \$2 million. Projects to be prioritised must show strong alignment with the strategic ‘front end’ of the RLTP. Rather than recommend a detailed process the working group are recommending a principles-based approach that will allow regions a little more flexibility in their prioritisation process but still provide Waka Kotahi with confidence that a consistent approach has been taken across the sector.

Principles to be applied

The base principles are:

- Road maintenance and renewal, public transport existing services and road safety promotion are considered as “continuous programmes” and are being captured as part of the Activity Management Plan (AMP) or Regional Public Transport Plan (RPTP). All continuous programs are eligible for NLTF funding within the relevant activity class. The allocation of NLTF funds to continuous programmes will take account of cost-effective levels of investment to maintain an appropriate customer level of service when considering the distribution of available funds. These should be listed, and any inter-dependencies specified. These activities do not require prioritisation at a regional level.
- Low cost, low risk (LCLR) activities are being assessed at the programme level. There should be a strong linkage between the AMP and RLTP that provides insight to the quality and value proposition of these programmes. These should be listed, and any inter-dependencies specified. These do not need to be prioritised at a regional level.
- Activities being developed, in a Programme Business Case, Indicative Business Case or Detailed Business Case stage, may be prioritised to demonstrate their importance to the region but under normal circumstances would not be prioritised.
- Activities including business cases that are part of a package are prioritised as part of the package and not as an individual item.
- Activities with contracts signed and funding allocated **from any source** (e.g. property, pre-implementation and implementation), are considered as “committed”. These should be listed, and any inter-dependencies specified. These do not need to be prioritised on a regional level.

The above is a guide but is not intended to omit any activity or project from being in the priority list by the RTC. It will be each RTC’s choice whether to include activities or projects that they deem are significant at a regional level. The inclusion of an activity in the priority list would also provide additional visibility along the process, provide the RTC with an opportunity to elevate its importance.

The principles are developed in alignment with guidance from Waka Kotahi on developing regional land transport plans and should be updated as required.

Statutory Context

According to the Land Transport Management Act (LTMA) 2003, a regional programme should include:

- An outline of funding sources, e.g. NLTF, local rate contributions, central government (PGF, NZUP etc).
- List of the region’s ‘significant’ activities proposed for funding over the next three to six years in priority order
- List of inter-regionally ‘significant’ transport activities
- A 10-year financial forecast

Section 16 (3)(d) of the Land Transport Management Act 2003 (Act) requires significant activities to be ranked by priority. ‘Significant’ activities are not defined in the Act, and RTCs are responsible for defining ‘significant’ activities for prioritisation.

A suggested definition of 'significant' activities' is provided in Table 1, and it could be adapted to reflect each region's requirements as defined by the RLTP strategic 'front end'.

Table 1: Suggested Definition of Significant Activities

Significant Activities		
Section 16 (3)(d)	Significant activities - to be presented in order of priority	<p>All new improvement activities in the region where funding from the National Land Transport Fund is required within the first three years of the Regional Land Transport Plan other than:</p> <p>Maintenance, operations and renewal programmes</p> <p>Public transport programmes (existing services)</p> <p>Low cost/low risk programmes</p> <p>Road safety promotion programmes</p> <p>Investment management activities, including transport planning and modelling</p> <p>Business cases that are not part of a package</p>
Significant inter-regional activities		
Section 16 (2)(d)	Activities that have inter-regional significance	<p>Any significant activity (see above):</p> <ul style="list-style-type: none"> • that has implications for connectivity with other regions; and /or • for which cooperation with other regions is required; or • any nationally significant activity identified in the Government Policy Statement on Land Transport <p><i>Note:</i></p> <p><i>Regions should connect with their neighbours to identify activities or programmes that connect to and/or depend on each other to be successful. This can also inform the prioritisation process. For example, a region may wish to adjust the priority of an activity to the same level as that of a connecting activity in a neighbouring region to maximise them being considered in combination rather than separately.</i></p>
Significant expenditure funded from other sources		
Section 16 (2)(c)	Significant expenditure on land transport activities to be funded from sources other than the National Land Transport Fund	<p>Any expenditure on individual transport activities, whether the activities are included in the Regional Land Transport Plan or not from:</p> <p>Approved organisations (where there is no National Land Transport Fund share)</p> <p>Crown appropriations</p> <p>Other funds administered by the Crown</p>

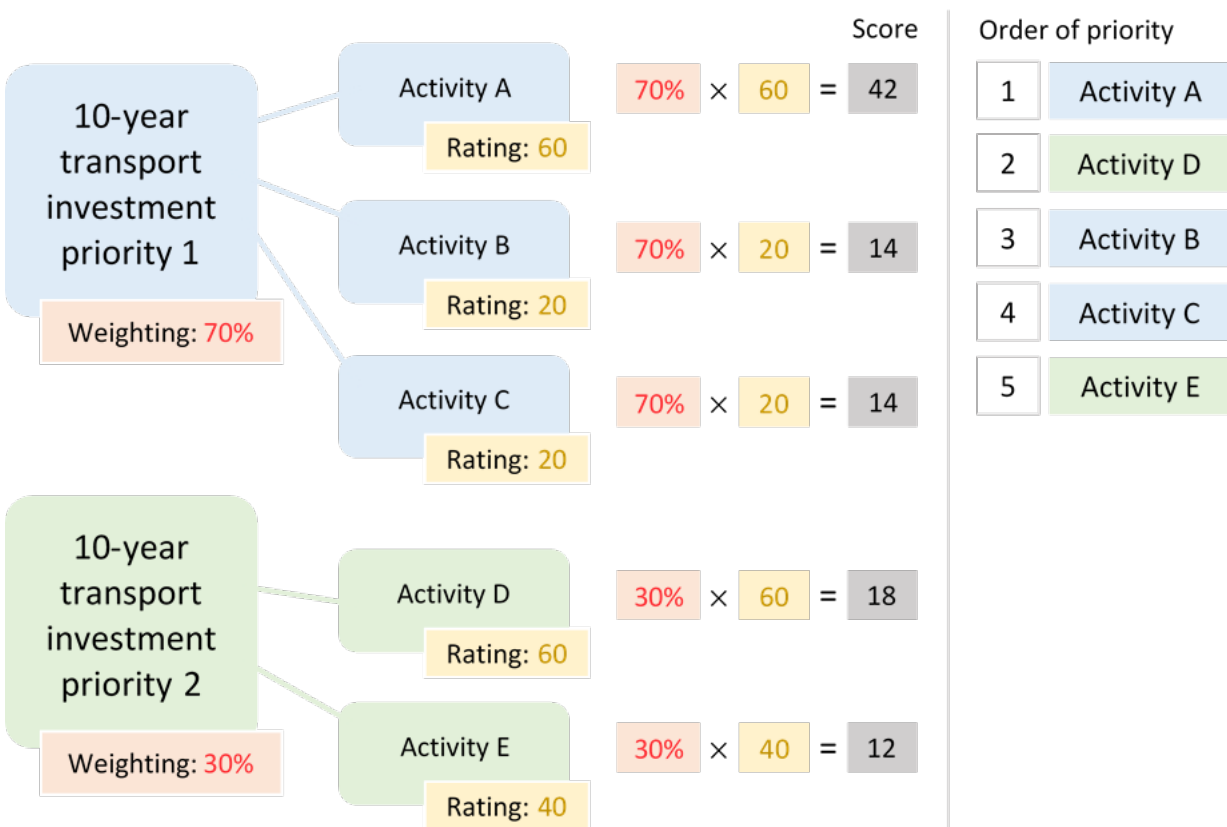
Prioritisation Approach

- To link the strategic ‘front end’ with the ‘Improvement Activities >\$2 million’ requires AOs to align their projects with the ‘most fitting’ investment priority agreed by the RTC.
- In most regions, there will not be many Improvement Activities >\$2 million included in the RLTP. (N.B. The low cost/low risk threshold has been increased to \$2 million per project.)
- If more than one project aligns with an investment priority, the RTCs technical officers’ advisory group will need to achieve consensus on each project’s contribution to the investment priority using their professional expertise.

Example Scenario

In this scenario, there are only five activities that meet the definition of significant activity for the two investment priorities.

For the prioritisation, the Technical Officers’ Group used their technical expertise and local knowledge to achieve an agreed contribution distribution of the two activities.



- The raw score for Activity A is 42, calculated as 60% of 70, i.e. $0.6 \times 70 = 42$
- The raw score for Activity D is 18, calculated as 30% of 60, i.e. $0.3 \times 60 = 18$
- On this basis, Activity A would be priority 1 in the RLTP and Activity D, priority 2. This reflects the technical position of the prioritisation approach and is a recommendation of the TOG.
- A RTC may decide to elevate Activity D to priority 1, to promote its importance to the region, and the provision of a reason for such event is recommended.

Frequently asked Questions

- Question: Does this mean RLTPs do not consider maintenance and renewals important?
- Answer: Maintenance and renewals support the stewardship of the transport system and according to the prioritisation principles, are of the 'highest priority'. Evidence base to support maintenance and renewals can be found in each Approved Organisations (AO) Activity Management Plan and the inclusion of this Activity in the National Land Transport Programme is from agreement between the AO and Waka Kotahi.